

# Defense Distribution Center



## Commander's Guidance 2010

# **DDC Commander's Guidance For Fiscal Year (FY) 2010**

## **Commander's Intent**

We developed this guidance after assessing our mission in light of the FY 2010 DLA Director's Guidance, which lays out the roadmap to our intended destination. To meet the requirements of his guidance, we must be committed to living within our means. To that end, we will pursue a containment strategy during FY 2010. This strategy focuses on accomplishment of more modest goals in exchange for lower costs and lower near-term risks. In particular, it will permit us to meet our Program Budget Review (PBR) 11 Full Time Equivalent (FTE) end- strength, moderate our mission requirements consistent with our core capabilities meet or exceed our BRAC space and FTE reduction goals, as well as position the organization for its part of designing and developing a retail strategy implementation of Navy Warehouse Transfer.

Further, this strategy is dependent upon the development of a management model from which we may more precisely view and understand our operational and staffing requirements, both direct and indirect, and therefore make better informed resource decisions. It is also dependent on getting our rates right, coupled with a standard workload model that supports construction of those rates. Last, it is imperative that we develop a Campaign Plan this FY, informed by the results of the Broad Agency Announcement (BAA) currently underway, that postures the command for the future (FY 2015) and addresses the most basic questions for the future:

- What is the appropriate velocity level we need to pursue?
- How do we achieve consistent quality performance?
- What is performance at the right cost?
- How agile are we and how agile do we need to be?
- How do we ensure accountability?
- How do we inculcate a culture of continuous learning/development and process improvement with our leadership and workforce?

This document describes our vision and direction and shows the initiatives and programs that will move us forward. Each of you should familiarize yourself with it and use it to deploy our resources towards the achievement of these specific goals.

## **DDC's Mission...warfighter support**

*To provide a full range of distribution services and information to the warfighter to enable a seamless, tailored, worldwide DoD network that delivers effective, efficient, and innovative support to combatant commanders, military services, and other customers during war and peace.*

DDC maintains a network of 25 worldwide distribution centers, an expeditionary distribution capability, and a robust acquisition office that allows us to execute our mission. We receive, store, and ship materiel from various DoD classes of supply. We manage and distribute maps to worldwide customers. Through our network of distribution centers, we also provide continental United States (CONUS) disaster relief support as well as humanitarian relief support throughout the world.

## **DDC's Vision...a commitment to improvement and accountability**

*To provide timely and quality distribution support to the warfighter and to be the single distribution services provider for DoD ... anywhere in the world, under any condition.*

DDC views its transformation through a single premise: we will do what is right for the warfighter to engender their trust. We want to be the provider the warfighter turns to when there is a distribution-related need. To ensure this, we will commit ourselves to a culture of continuous process improvement and materiel accountability.

## **DDC's Values...our guiding principles**

- *Warfighter needs guide us*
- *Integrity defines us*
- *Diversity strengthens us*
- *Excellence inspires us*

DDC's values mirror those of DLA. They are the four basic principles that guide us in all we do to achieve our mission, pursue our mission, and constantly do what is right for the warfighter – all day, every day, whatever we need to do, and wherever we need to do it.

## **Our Strategic Focus Areas and Supporting Initiatives for 2010**

Our guidance for FY 2010 is aligned to the DLA Director's Guidance through the identification of the agency's three principal strategic focus areas:

- **Warfighter Support Enhancements** – Deliver agile and responsive logistics solutions to the warfighter
- **Stewardship Excellence** – Manage DLA processes and resources to deliver effective warfighter support at optimal cost
- **Workforce Development** – Foster a diverse workforce and supporting culture to deliver mission excellence

These focus areas represent the overarching goals that drive our initiatives. Our commitment to provide timely and quality distribution support to the warfighter and other customers supports DLA's vision for "warfighter-focused, globally responsive supply

chain leadership.” Below we describe those DDC initiatives we will emphasize during FY 2010 to support progress in these focus areas. We also identify other related critical initiatives that support the long-range goals of the agency.

## **Warfighter Support Enhancements**

DLA's first strategic focus area is Warfighter Support Enhancements. Accordingly, DDC's primary focus is warfighter support. To do this effectively means that we have to ensure that the processes and tools are in place that will allow us to ensure the readiness of the warfighter whether he is at home station, preparing to deploy, or deployed. Supporting the warfighter includes meeting our goals and performance metrics effectively and efficiently. Doing this requires continuous self evaluation from the individual work site up through the headquarters staff. In some cases, we will also be required to use our acquisition experience to develop strategies to deal with emergent requirements. The whole thrust of warfighter support hinges on this bottom up and top down partnership within the DDC as well as with our customers.

**DDC's goals in support of DLA's warfighter outcomes are:**

- Implement proactive preparation, planning, and execution actions to support known and emergent requirements
- Sustain and improve best value support to all operational commitments
- Refine capabilities and performance metrics
- Enhance partnerships with USTRANSCOM and other supply chain partners

### ***Supporting Initiatives:***

1. **Support expanded operations in Afghanistan:** Continue development and implementation of solutions for Afghanistan distribution, including the Northern Distribution Network (NDN).
2. **Define and expand DDC's role in service retail operations:** Continue working with service partners to develop solutions that optimize retail elements of the end-to-end supply chain, including Navy Warehouse Transfer and expansion of Army AJ2 accounts. Develop and implement efficiencies in stock positioning and delivery.
3. **Define the future distribution and reverse logistics capability by evaluating the results of a Broad Agency Announcement (BAA) and executing accordingly:** Optimize the distribution enterprise through the use of innovative methods and new processes that take advantage of commercial best practices. The results of the BAA will provide the framework for incorporating changes to the distribution network that will meet customers' expectations at lowered costs.
4. **Revise performance metrics to align performance with mission priorities:**

Continue to focus on metrics that drive business results and are in synch with mission priorities.

## **Stewardship Excellence**

Our second strategic focus area is Stewardship Excellence. As DDC's responsibilities continue to grow, we must ensure that our support to the warfighter is both efficient – we do things right – and effective – we do the right things. We will deliver the maximum payoff from taxpayer resources by continuously striving to employ better processes and business arrangements that reduce cost and provide for the growth and development of the distribution enterprise. We will improve the financial, physical, and information assurance integrity of all our assets. We will safeguard not only supply and operational information, but also employee information to the maximum extent possible. We will share what is essential while preventing compromise. We will continue to review and analyze our business areas and existing systems to develop and implement refinements as needed in order to support DLA initiatives and provide maximum customer sustainment.

**DDC's goals in support of DLA's stewardship outcomes are:**

- Improve business processes and information technology (IT) enablers
- Improve end-to-end inventory accountability and visibility
- Improve analytical tools and skills
- Develop greater agility to monitor and track operational and fiscal performance
- Analyze our projects and initiatives to ensure they are relevant, achievable, and cost effective in accordance with higher level authority guidance
- Intensify our ability to identify and mitigate vulnerabilities or inefficiencies that could negatively impact mission performance and resource stewardship

### ***Supporting Initiatives:***

- 5. Identify and program cost reduction opportunities in Program Budget Review (PBR) 12:** DDC will rationalize its initiatives and associated resources while ensuring we maintain effective warfighter support. We will recognize our financial impact on our customers and identify and execute opportunities to reduce core costs. Candidates for review include physical plant, information technology support, material costs, and labor.
- 6. Use a portfolio of processes and tools to streamline inventories while improving warfighter support in a constrained fiscal environment:** Participate in the agency's demand planning efforts and execute stock positioning decisions based on direction and guidance provided by the HQ.
- 7. Enhanced Information Assurance (IA) and Risk Management (RM) actions**
  - a. **Standard Desktop Configuration**
  - b. **Server Centralization and Virtualization**

- c. **Management Control Program**
- d. **DDC Compliance Reviews**
- e. **CGA Oversight Program**
- f. **Anti-Terrorism/Force Protection (AT/FP) Program Implementation**
- g. **Employee Safety & Health Program**
- h. **Pandemic Influenza Planning**
- i. **Government Ethics Compliance Program**
- j. **FOIA Reporting**

## **Workforce Development**

Our third strategic focus area is Workforce Development. As the DLA Director is committed to developing and capitalizing on the skills and experience of the DLA workforce, DDC is committed to ensuring its workforce is trained and able to meet the challenges of today and tomorrow. We will acquire, develop, and sustain a diverse, empowered workforce that allows us to effectively support the warfighter at the optimal cost. We will identify and implement training opportunities that ensure our workforce will be able to continue to meet and exceed customer expectations.

**DDC's goals in support of DLA's workforce outcomes are:**

- Improve DDC's culture based on results of recent culture survey
- Close critical skill gaps through effective training opportunities
- Capitalize on DDC's cultural diversity to realize our people's full potential

### ***Supporting Initiatives:***

**8. Support diversity and its related benefits through collaborative efforts focused on recruitment, development, and retention:** DDC will increase the participation rates of targeted groups in general, and in top positions in particular, through enterprise-wide collaborative efforts focused on recruitment, development, and retention.

**9. Use our recent culture survey results to prioritize, design, and develop ways to enhance DDC's work environment:** The three core elements of the DDC culture plan are:

- a. **Leadership & Workforce Development:** Supervisors and managers to attend "DDC Level 1" (i.e. – Green Belt) and "Advanced Leadership: Managing Time" training.
- b. **DDC System Expansion & Sustainment:** DDJC; DDMA; DDOO; DDWG.
- c. **Local Culture Development Plan of Action:** DDC established a centralized "community of practice" for cultural knowledge sharing across the organization. Commanders/Directors to select two to three cultural survey traits for improvement based upon local business needs (e.g. Capability Development, Team Orientation, Mission Focus); Monitoring & tracking of

improvement efforts to be integrated into DDC Review & Analysis.

## **The challenges ahead...Commander's Priorities**

DDC clearly faces challenges in 2010 and beyond. We must continue to support the warfighter, yet ensure that we get the best value from taxpayer resources. To meet these challenges, we will address several primary areas, including the following:

- Customer engagement
- Theater support to Afghanistan
- Executing the Broad Agency Announcement (BAA) to optimize the distribution network.
- Delivering end-to-end distribution support at best value
- Stewardship
- Leadership and workforce development
- Workforce diversity
- Continuous process improvement

## **Supporting and sustaining our courses of action**

This guidance documents the direction we will take as we focus on the distribution needs of our customers, develop and mature partnerships with stakeholders and other providers, implement refinements to our strategic network, and adopt improved business practices and technologies. The mission, vision, values, strategic focus areas, and priorities described herein serve the purpose of highlighting the key areas on which we will focus. While these initiatives are overarching, that does not obviate the fact that we have many other actions and programs that support our mission, including some that are ongoing. As we move forward in FY 2010, we will develop supporting objectives and subtasks, a clearer assessment of timelines, monitor results and reevaluate our strategy to continually improve service to our customers. We will also periodically provide updates to DLA, DDC headquarters, and the Distribution Centers.

The DDC Directors and my senior staff are committed to you, our workforce, and we are committed to executing our mission to the warfighter in the most effective and efficient manner possible. Our intent remains to provide premier logistics support and to ensure that we bring value, visibility, and velocity to the distribution products and services that sustain America's warfighters around the globe.



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